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SUBJECT: PANAMA CABINET RESHUFFLE LEAVES TORRIJOS WEAKER
WITHIN PRD, STRONGER AS PRESIDENT -- A LOOK INSIDE PRD
POLITICS

REF: A. PANAMA 0824
[1](#)B. PANAMA 0919

Classified By: AMBASSADOR WILLIAM EATON FOR REASONS 1.4 (B) AND (D).

SUMMARY

[1](#)1. (C) The April 28 cabinet changes (Reftel A) exposed and intensified a rift dividing President Torrijos's inner circle from the Democratic Revolutionary Party (PRD) rank and file. Although Torrijos and Consejo (Intelligence Chief) Leonel Solis succeeded in removing Minister of Government and Justice (MOGJ) Hector Aleman, Aleman's ouster enraged prominent PRD politicians, including Housing Minister Balbina Herrera. Torrijos simultaneously gave a boost to the leftist, pro-Cuba PRD "Tendencia" faction, by naming former Dignity Battalions Chief Benjamin Colamarco as Public Works Minister (Reftel B). Ex-convict Colamarco is known for his efficiency, if not his probity. Aleman's former vice minister -- now MOGJ -- Olga Golcher, is a loyal PRDista but with little experience in security affairs. In effect, the reshuffle makes MOGJ a branch of the Consejo. Torrijos loyalist Solis, the shakeup's clear winner, will make the major decisions at MOGJ, possibly with help from former PDF Colonel Daniel Delgado, now customs chief, rumored to be named as Golcher's vice minister. Torrijos eventually will have to face the party's discontent for forcing Aleman to step down, but probably not until 2007, when the PRD holds a convention to choose a new secretary general. End Summary.

A Personal Matter

[1](#)2. (C) The late-April cabinet shakeup gave the Palace and Torrijos loyalists expanded powers but diminished the President's standing in his party. Personal factors played a big role in Aleman's dismissal. The pressure over control of security policy that had been building for months between Aleman and Consejo Solis, who Torrijos backed, finally boiled over in late April. Torrijos tried to ease Aleman out of his cabinet post and into a specially created job related to Canal widening. According to PRD sources, when Aleman refused to give up MOGJ, battle lines were drawn between the Torrijos-Solis-Real "Team Martin" and Aleman and Herrera and other PRD heavyweights, such as Labor Minister Reynaldo

Rivera.

Out of the Loop

13. (C) According to Embassy sources within the PRD, Minister Aleman was unhappy at being left out of the loop on security matters, particularly because Panamanian National Police Director General Rolando Mirones, Solis, and Torrijos habitually bypassed him. (Note: In August 2005 Solis had been brought in from the SPI, the presidential bodyguard, to replace then-Consejo Javier Martinez Acha, a former Texas A&M roommate of Torrijos.

Personal Rivalry

14. (C) Aside from Solis and Aleman's evident dislike for each other, a contributing factor, Embassy sources say, was that Aleman and Torrijos both were competing to buy the same piece of land on the Atlantic coast. Aleman allegedly made disparaging comments to the Chinese Panamanian seller about Torrijos. Word got back to Torrijos, who was not happy.

"Low Morale"

15. (C) A week before the shakeup in an April 20 meeting with POL Specialist, Comptroller General Dani Kuzniecky complained about low morale in the Cabinet, which he blamed on Torrijos's "confusing" management style. Torrijos, Kuzniecky continued, was not informing cabinet members about rumored change and raising anxiety levels by sending mixed messages to several Cabinet members who claim not to know what to expect. "How does he expect people to respect him?" Kuzniecky asked sarcastically.

"I Earned It"

16. (C) Four days before, Kuzniecky added, Hector Aleman -- "who is not my friend" -- for the first time opened up and told Kuzniecky that he was "sick of Torrijos." Asked if he really was leaving MOGJ, Aleman replied that Torrijos had hinted at it in a conversation that was so confusing that Hector did not understand whether Martin meant to remove him from MOGJ and send him elsewhere, or to keep him there but to give him extra responsibilities. Aleman allegedly told Torrijos, "My position in the cabinet is not a gift from you. I have a position on the party board. I earned it."

A Screaming Match

17. (C) Aleman was so upset after his conversation with Torrijos that he shared it with "a few" PRD people, including Housing Minister Balbina Herrera. According to Kuzniecky, Balbina then went to the Palace to talk to Martin. When she was barred from the President's office, she allegedly got into a screaming match with Minister of the Presidency Ubaldino Real, yelling and cursing that he and Torrijos knew nothing about politics and that both of them would realize that soon enough. Later, Aleman allegedly confronted Torrijos, with Aleman threatening that "he could talk" and the President allegedly replying that he also could talk but that Aleman's "dossier" was larger.

Black List Forces A Backdown

18. (C) Another PRD source told us with many PRDistas supporting Aleman, on April 27 Aleman met with Herrera, Legislator Pedro Miguel Gonzalez, and presidential hopeful Panama City Mayor Juan Carlos Navarro, making sure that photographers were present, with the idea of pressuring Torrijos. When word of the meeting spread, Real and Solis allegedly began making a black list of PRD officials who could lose their jobs, the movement to back Aleman lost some steam. Navarro told Ambassador that when Torrijos and Aleman stopped talking to each other, he convinced the President to reach out to his long-time friend, Aleman. To Navarro's horror, Aleman triumphantly refused to take the call. Navarro said he then brokered a reconciliation meeting that

lasted nearly three hours. Finally, Aleman decided to face the inevitable and step down. But not wanting to return to his National Assembly seat, Aleman reluctantly accepted a small office at the Palace as member of a special Canal widening commission.

Is Samuel Lewis (SLN) To Blame?

¶9. (C) One PRD current blames President Torrijos's close relationship with VP/Foreign Minister Samuel Lewis Navarro. "Part of this entire problem is SLN," a POL Specialist contact said. "He is just too influential over Martin and it is widely known that Martin wants him to be his (presidential) candidate for 2009. SLN has been the reason there have been so many internal disputes in the party."

"Ungrateful" Martin

¶10. (C) Less than a week after the shakeup, a former PRD legislator told POL Specialist that many party members believe that Torrijos had acted "ungratefully" toward Aleman (who managed the 2004 Torrijos election campaign) by kicking him out of the cabinet, especially the way he did it. Confirming all the stories recounted above, he said, "Hector is badly hurt and if Martin thinks that he will forget this episode, he is wrong. Hector will take revenge from the National Assembly." True, Torrijos has the goods on Aleman's business with PNP motorcycles and prison kiosks but, he added, Aleman is well aware of the money both of them, among others, pocketed in exchange for approving the CEMIS contract (a scandal from early 2002). More importantly, Hector knows about all of Martin's current businesses, he continued, the ones he is doing solo and the ones he is doing with Ubaldino Real. (Comment: Real is known as being Torrijos's investment counselor, business partner and bag man. End Comment.)

Chump Change

¶11. (C) The ex-legislator dismissed Aleman's participation in the Palace-based Canal expansion commission as "a fake," claiming that Aleman accepted the job on advice from party supporters and because he did not want to return to the Assembly. But the source also claimed that Ubaldino Real, knowing that Aleman wanted to keep his connection with the Palace, had mocked Aleman by telling him that he would earn only \$4000 a month in the expansion commission job, while the other commission members -- former Finance Minister Catin Vasquez (now replaced by Carlos Vallarino), Presidential Advisor Jorge Ritter, Media Advisor Jorge Sanchez, and Marcel Salamin -- would make \$6000. Aleman would make more money by returning to the Assembly (\$7000 a month) than at the commission. (Comment: Aleman apparently has filed the necessary paperwork to draw his legislative salary, while retaining his office at the Palace. End Comment.)

PRD Sentiment Negative

¶12. (C) According to PRD Legislator Freidi Torres, sentiment in the PRD is turning against Torrijos. In an April 19 conversation with POL Specialist, Torres attributed Torrijos's diminished inner-PRD standing to "constant mistakes," "passing the ball" to PRD legislators (demanding votes on legislation that the Palace has not bothered to consult legislators about), and ignoring the party's grassroots. The President's growing distance from the party, Torres added, is weakening his ability to control it. Also, Torres said 11 PRD legislators (Franz Wever, Cesar Pardo, Rogelio Paredes, Marina Laguna, Maricruz Padilla, Benicio Robinson, Ruben DeLeon, Carlos Alvarado, and three others from indigenous comarcas) are openly meeting with Former President and Torrijos nemesis Perez Balladares. Aleman recently was seen having lunch with Perez Balladares at a local PRD hangout, adding to speculation about internal PRD intrigue.

Yuppies vs. Politicos

¶13. (C) His point was echoed in a separate conversation with opposition Panamenista legislator Luis Cleghorn, who explained that PRD members are pushing hard against "Team Martin," who tend to be young professionals who do not really need a government job but have most of the high-ranking positions. The old PRDistas, the ones who are used to "make a living from the state," identify with Aleman because they find themselves on the outside.

What About Balbina?

¶14. (C) Torres recounted "a bad fight" that Balbina Herrera and technocratic Trade Minister, Andy Ferrer, recently had outside the Palace, where Herrera openly cursed Ferrer. Herrera (and Aleman) are annoyed, Torres explained, because Torrijos pretends to listen to them but pays more attention to non-PRD members Ferrer and lawyer Jimmy Arias.

"They Hate Each Other"

¶15. (C) Comptroller Kuzniecky confirmed Torres's story. "They hate each other," he said, adding that every time Andy opens his mouth at the cabinet, Balbina makes a point to oppose him. "He says white, she says black." "Balbina is a political animal," Kuzniecky expounded. "She is smart, aggressive and is used to get what she wants most of the time. She is so good that she can be badmouthing someone and that person steps into the room and she can hug and kiss that person as if they are best friends. I don't trust her for that, but I respect her because she works hard."

Balbina To Run For Mayor

¶16. (C) Herrera told Kuzniecky recently that she would run for Panama City Mayor in 2009. She also told him that "she rather die" than support Samuel Lewis for President. The one

with the most PRD support for President is Mayor Juan Carlos Navarro, Herrera thought. Her hatred for Andy Ferrer is partly because she sees Ferrer and Lewis as a "dupleta" ("daily double"). They think alike and hang around together all the time and since the rumors for some time have been that SLN would prefer someone like Andy to be his VP instead of Aleman or Herrera, both Hector and Balbina dislike him even more, Kuzniecky said.

Comment: Politics Makes Strange Bedfellows

¶17. (C) In a May 22 meeting with POL Counselor, and repeated to the Ambassador on May 28, Mayor Juan Carlos Navarro claimed that the controversial decision to name Noriega's former goon-squad chief Benjamin Colamarco to Minister of Public Works was not discussed at the PRD's national executive committee, an unusual omission. Navarro called Colamarco's appointment "an unforced error." When asked, "Who thought that was a good idea?" Navarro could not say. One interpretation is that Samuel Lewis did. With his standing in the PRD's main faction (which includes Balbina and Hector) at rock bottom, Lewis (with backing from Torrijos) might be trying to boost his presidential ambitions by favoring the Tendencia faction (which includes Colamarco and Labor Minister Rivera). Lewis also has been visibly campaigning on Balbina's turf in the impoverished San Miguelito district of Panama City. Seen through this optic, Panama's May 9 vote for Cuba, Venezuela, and China in the UN Human Rights Commission -- which Lewis publicly defended -- appears as a further political sop for PRD leftists.

¶18. (C) During a conversation with DCM, Aleman said he remains loyal to Torrijos, and that he departed on good terms, although he hedged those statements enough to create considerable doubt about just how "true" to Torrijos he will prove. He added that he has his differences with Torrijos mainly about the way he has ignored the National Assembly. Aleman claimed that Torrijos has surrounded himself with "yes" men who do not have the party's interests in mind. He

pledged that he would continue to voice his opinions
internally, even if they meant disagreeing with the President.

EATON